

Message Text

CONFIDENTIAL

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70

ACTION ARA-10

INFO OCT-01 ISO-00 SEC-01 JUSE-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-02

LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-04 TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

FEA-01 /091 W

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P 142210Z APR 75

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC PRIORITY 9888

INFO AMEMBASSY TEGUCIGALPA PRIORITY

AMEMBASSY MANAGUA

AMEMBASSY GUATEMALA

AMEMBASSY SAN SALVADOR

AMEMBASSY PANAMA

C O N F I D E N T I A L SAN JOSE 1490

E.O. 11652: GDS

TAGS: PFOR HO CS

SUBJECT: SECRET PAYMENT BY UB TO HONDURAN OFFICIALS

BEGIN UNCLASSIFIED

1.EXCELSIOR APRIL 13 CARRIED FRONT-PAGE INTERVIEW WITH
FNOMIN FACIO IN WHICH HE ALLEGEDLY STATED THAT "THE
ACCUSATIONS OF THE WALL STREET JOURNAL AGAINST THE PRESI-
DENT OF HONDURAS, OSWALDO LOPEZ ARELLANO, ARE NOTHING BUT
THE MACHINATIONS OF THE GREAT WORLD CONSORTIA ... THE
ACCUSATION HAS NO BASIS. LOPEZ ARRELLANO IS A VERY SOLVENT
MAN, MORALLY AND ECONOMICALLY, AND HAS NO NEED OF MONEY".

2. FACIO ALSO QUOTEFNAS SAYING THAT "THE GREAT TRANSNATIONAL
COMPANIES HAVE RESORTED TO COUPS, BRIBERY AND EVEN ASSASSINA-
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TIONS TO DEFEND THEIR INTERESTS AND THE GOVERNMENT OF COSTA

RICA CANNOT CONSIDER ITSELF IMMUNE ("A SALVO") FROM SUCH MANUEVERS".

3. FACIO WAS DESCRIBED AS SAYING THAT UNITED BRANDS HAD MOVED AGAINST THE GOH BECAUSE OF HONDURAS' SUPPORT FOR THE FORMATION OF UPEB AND THE ESTABLISHMENT OF A \$1.00 BANANA EXPORT TAX. END UNCLASSIFIED.

4. BEGIN CONFIDENTIAL. IN A PRIVATE CONVERSATION APRIL 14, FACIO TOLD AMBASSADOR TODMAN THAT THIS EXCELSIOR STORY WAS ALMOST ENTIRELY FABRICATED. HE STATED THAT THE ONLY COMMENT HE MADE TO THE APER WAS THAT THE FACT THAT THE WALL STREET JOURNAL CARRIED THIS STORY DOES NOT AUTOMATICALLY MAKE IT TRUE, AND THAT FACIO HAD NO FIRST-HAND INFORMATION ABOUT IT. ACCORDING TO FACIO, HE AND PRESIDENT ODUBER DISCUSSED THE ADVISABILITY OF ISSUING A STATEMENT DISAVOWING THE EXCELSIOR STORY, BUT DECIDED AGAINST IT IN THE NIGHT

THAT SUCH A DENIAL MIGHT SUGGEST LESS THAN FULL GOCR CONFIDENCE IN LOPEZ ARELLANO.

5. FACIO ALSO COMMENTED TO THE AMBASSADOR THAT HE THOUGHT ASSISTANT SECRETARY'S ROGERS' LETTER TO UB'S ATTORNEYS WAS EXCELLENT. END CONFIDENTIAL. TODMAN

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Message Attributes

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